DOCUMENT RESUME

ED 309 717 HE 022 683

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TITLE Who Gets What? Impact of Financial Aid Policies.
PUB DATE Mar 89
NOTE 25p.
PUB TYPE Reports - Research/Technical (143)

EDRS PRICE MF01/PC01 Plus Postage.
DESCRIPTORS Access to Education; Blacks; Change; *College Choice; Community Colleges; *Educational Finance; *Federal Aid; Financial Support; Hispanic Americans; Minority Groups; Postsecondary Education; Proprietary Schools; *Student Financial Aid; Trend Analysis

ABSTRACT

Since 1980 the legislation and administration of federal financial aid to students has changed radically. Four topics examined in this study are: what changes have been made; their effects on federal funding allocations and obligations; how the changes may have contributed to the growth of the proprietary sector of education at the expense of community colleges; and how the changes have contributed to the decline of Black and Hispanic pursuit of higher education. The study draws from literature, in particular from data compiled by the U.S. Department of Education, the College Board, legislation that affected financial aid, and preliminary analyses of the recently completed U.S. Department of Education National Postsecondary Student Aid Survey. The 1978, 1982, and 1986 amendments to the Higher Education Act and concomitant rises in the costs of higher education have had several effects on student choices of higher education sectors and institutions. Higher costs have reduced the options of low and middle income students to choose among schools; increased student dependence on borrowing large sums to finance higher education; and forced students and families to turn to other sources for support in many cases. The participation of Blacks and Hispanics in higher education has declined, and a large proportion of those who pursue a higher education choose community colleges and proprietary schools. Five tables are included. Contains 11 references. (SM)

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# Who Gets What? Impact of Financial Aid Policies

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# WHO GETS WHAT? IMPACT OF FINANCIAL AID POLICIES

by Loyd D. Andrew and Rocco Russo

## Introduction

Since 1980 the legislation and the administration of federal financial aid to students has changed radically. In this paper we examine (1) what these changes have been; (2) the effects of these changes on federal funding allocations and obligations, (3) how these changes may have contributed to the growth of the proprietary sector of education at the expense of community colleges, and (4) how the changes have been a contributing factor to the decline of black (Afro-American) and Hispanic pursuit of higher education.

As a prologue, I want to review what our nation faces in the near future if immediate action is not taken to improve the educational levels of our people. Since the inauguration, President Bush has concentrated on two major problems: The $90 billion plus bail-out of failing or failed Savings and Loan institutions and continuing multi-billion deficits. In the wings waiting his attention are a (1) critically ill nuclear power and weapon industry, (2) the Third World debt that puts our banking industry at risk, (3) long deferred maintenance and upgrading of the nation's transportation system, and (4) runaway health costs. These are the matters which have commanded much of front page news and almost all of magazine and newspaper editorial space.

These crises deserve attention along with the lives and shenanigans of Madonna, Trump, North, and the buying of star athletes by Division 1A universities. However, they are getting that attention at the expense of what is our greatest forthcoming crisis.

One-third of our nation is at risk; in danger of being written off. Thirty percent of the children being born this instance and tomorrow will be born in poverty. The high school drop out rate averages about 25 percent and is worse than that in rural and inner city areas; about 50 percent of those who begin higher education institutions drop out. Our legal and correction systems can not build prisons fast enough to keep up with the growing body of alienated, drug-driven, poverty inspired criminal class. We are so short of prison space that plea bargaining and early release programs have become standard.

What we are not doing is addressing the underlying causes of growing poverty. Between 1979 and 1983, "the number of children in poverty grew by 3.7 million, and the rate grew from 16 to 22 percent . . . ." (Hodgkinson, 1985, p. 8). If we continue the same course, 30 percent of our people are likely to be living in poverty at the beginning of the 21st century. A poor class of that proportion puts not just the competitiveness of the nation

at risk, but your and my discretionary incomes, our children's standard of living, societal stability, and compassion.

Education and financial aid that provide not only access to institutions but access to quality and opportunity to succeed in higher education are not panaceas. But the growth in poverty, the growth in the proprietary school sector, and the growing under-representation of blacks (Afro-Americans) and Hispanics in higher education as well as continuing high levels of attrition are probably not unrelated to how we have invested in education in general and in financial aid in particular.

**Methodology**

In doing this study, we have drawn from the literature listed in the references at the end of the paper, and in particular from data compiled by the Department of Education, the College Board, the legislation that affected financial aid, and preliminary analyses of the recently completed Department of Education National Postsecondary Student Aid Survey. What we have tried to do is to analyze what has been reported to determine what the impacts of financial aid have been on:

1. The growth of proprietary schools and what this growth means to the country and to competing sectors of postsecondary education.

2. Black and Hispanic aspirations and enrollment patterns in postsecondary education.

**Findings**

In the 1972 amendments to the 1965 Higher Education Act, Congress, with little help from the higher education community, provided for Basic Educational Opportunities Grants which had two revolutionary elements: First, the amendments were designed expressly to provide equal access to all of higher education by providing (in theory, at least) sufficient funds to students so that choice of institution would not be constrained by lack of financial resources. To meet this objective the amendments also extended the life of the Educational Opportunity Grants under a new name, Supplementary Educational Opportunity Grants (SEOG), and strengthened the Guaranteed Student Loans (GSL) program by providing for a Student Loan Marketing Association. Second, the grants were made directly to the students, rather than through institutions of higher education (Gladieux and Wolanin, 1976). The latter put the power of the purse in student's hands at a time when the higher education system thought it was facing declining enrollments in the near future. Cheit (1971), for example, had declared a new depression in higher education. As Gladieux and Wolanin have noted, the Higher Education community was not particularly happy with having the power of the purse shifted from its hands to students despite its and the nation's successful experience with the outcomes of the G. I. Bill of Rights.

Students could no longer be treated as supplicants as they could and were treated under such federal grants and loan programs as the National Direct Student Loan (NDSL). The amendments changed the role of financial aid administrators and admission officers. They also eliminated for those students who were informed about the financial aid program the excuse that they could not go to college because they could not afford it.

From 1970 to 1976, the participation rates of young blacks and Hispanics increased from 16 percent in 1970 to 23 percent in 1976, and Hispanics' participation increased from 13 percent in 1972 to 20 percent in 1976. White's participation rates stayed between 27 and 26 percent (See Table 1).

The dire predictions of a new depression were not realized. Enrollments between 1970 and 1976 increased by 28 percent and by another 14 percent between 1976 and 1986. All sectors shared in this growth though private higher education's market share declined from 25 percent to 21 percent in 1976. Most of this loss in share resulted from the extraordinary growth of the public community college and proprietary sectors. The former sector's headcount enrollments grew 78 percent between 1970 and 1976 and by another 18 percent in the next 10 years. The latter's enrollments are estimated to have grown by 17 percent from 1974 to 1976, but by between 67 and 88 percent between 1976 and 1982

(Moore, 1987).* In comparison, public and private four-year colleges' enrollments grew by 13 percent and 10 percent, respectively, for the 1970-1976 period. Both sectors had approximately 11 percent growth over the next ten years--from 1976 to 1986 (see Table 2).

Despite the growth in enrollments between 1970 and 1976, tuition and fees did not grow significantly. From 1974 to 1975 public undergraduate tuition and fees and room and board lagged inflation by about 8 percent and continued to lag until 1981-82. In the private sector, tuition, fees, and room and board lagged inflation in 1974-75 (by approximately 3 percent; from 1977 through 1979 by about 1 percent annually, and in 1979-80 by approximately 4 percent. (National Center for Education Statistics, 1985, Chart 2.16). The difference in the seventies between fairly stable pricing and rising costs were generally met by deferring both maintenance and faculty salary increases. For example, average faculty salary in 1983-84 in constant 1983-84 dollars was $3,800 below what it was in 1972-73 (Ibid, Table 2.13).

These ideal conditions for students, if not for faculty and for the long-term health of higher education, came to an abrupt halt in 1982 for public institution students and in 1976 for

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*Moore uses the lesser of the two estimates. Enrollments in the proprietary sector are hard to estimate because of the number of schools and their diversity.

private institution students. Beginning in 1982, the price of attending a public institution has grown faster than inflation by 3 to 7 percent annually through 1984. In the private sector, price increases began to exceed inflation in 1981 on a regular basis through 1984 with price leading inflation by 4 to 8 percent.

It is probably more than a coincidence that these price increases began soon after the 1978 amendments to the 1965 Higher Education Act became effective. The most significant element of the 1978 amendments was the provision that "As of FY 1980, all students will qualify to receive interest subsidy benefits under the Guaranteed Student Loan program regardless of their income" (National Institute of Independent Colleges and Universities, 1980, p. 28). These subsidies were substantial: Seven percent interest when the commercial rate was 9 to 13 percent or more and deferment of payments until 9 to 12 months after the student ceased carrying a half-time or more academic load. It was the kind of deal that no one could afford to pass up whatever one's income.

Congress was not so liberal in modifying the grant programs though eligibility requirements for BEOG were relaxed, providing more access to middle-income students to grants than they had before. However, the increase in the maximum allowable grant, from $1,400 to $1,800, did not offset the cost of inflation that had occurred between 1974-75 and 1979-80. In 1975-76 current

dollars the value of an $1,800 grant in 1980 was worth only $945 or $455 dollars less than the 1975-76 grant.

Table 3 illustrates the relative shift in constant 1984-85 dollars of aid awarded from various federal and state sources from 1980-81 through 1984-1985. The value of GSL and Plus loans increased in constant dollars by 10.8 percent while the value of Pell (BEOG), SEOG, and SSIG grants declined by 5.7, 17.2, and 18.8 percent respectively. These declines in the value of grants, measured in constant (inflation adjusted) dollars, occurred at the time when the price of education in both the public and private sectors was exceeding inflation by three to seven percent. Thus the value of grants, measured in the price of education declined even more than shown in Table 3.

The loan program was good for everyone except those who did not take out loans for education and those who were taxed to pay the costs of subsidized interest, administrative costs, and defaults. States issued tax-free bonds at relatively low interest and loaned money to students directly or through banks. They drew, in return for this service, at least two benefits: First, the ability to shift more of the cost of education from the state to the student, which almost certainly explains why tuitions in the public sector could increased so rapidly in the eighties. Second, they received a federal subsidy to offset the difference between what the student became obligated to pay in interest and the "going rate." Banks and other lending agencies

benefited in the same manner when they made risk-free loans. Students and their parents benefited from the deferred and relatively low interest.

The effects of this on the federal financial aid program are illustrated in Tables 4 and 5. The amount of GSL and PLUS (or Stafford) loans grew 70 percent from about $1.0 billion in 1970-71 to $1.7 billion in 1977-78. During the same period, Pell grants increased from nothing to $1,588 million. In 1977-78 the federal government supplied financial aid by an almost equal combination of grants and loans. The total of grants and college work study aid was $2360 millions in current dollars while the amount provided through the loan programs--NDSL (or Perkins) and GSL and PLuS (or Stafford) was $2352 millions (Table 4). Moreover the cost of the loan programs (what the federal government paid for in subsidized interests, administrative fees, and defaults) was only $806 millions, not quite a third of the appropriations for grants and work study programs of $2,929 millions (see Table 4). These increases in grants and loan programs and the relatively high investment in grants in relationship to loans occurred when enrollments increased by 29 percent and black and Hispanic participants in higher education was increasing.

Beginning about 1980, the relationship between funding for loans and grants substantially shifted. In one year (from 1979 to 1980, when the effects of the 1978 amendments began to be felt),

the appropriations for Pell grants declined from $2,142 to $1,718 millions (19 percent) while appropriations (essentially funding for interest subsidies, defaults, and administrative fees) for Stafford Student Loans increased from $950 to $1,609 millions (69 percent). In 1978 the appropriations or costs of supporting loan programs was $806 millions or 35 percent of the costs of grants programs. By 1988 costs of loan programs was 55 percent of the costs of grants programs ($2,780 millions to $5,329 millions). Between 1977-78 and 1985-86, the amount of federal aid of all kinds grew from $8,805 to $15,887 or 180 percent. During this period enrollments increased from an estimated 12,121 to 14,244 thousands or about 18 percent. At the same time the rate of black and Hispanic participation in higher education was declining as shown in Table 1 and the proprietary sector's share of enrollments, grants, and loans was increasing.

The proprietary's share of enrollments grew from 7 percent in 1976 to 13 percent in 1982. The growth of the proprietary sector's share of federal financial aid was even more dramatic. From 1974 to 1984, the proprietary school's share of Pell grants increased from approximately 6 percent to 19 percent, mostly at the expense of community colleges (which suffered a 7 percent decline in share) and four-year private colleges, which lost 5 percent share. In 1977 students in 1,705 proprietary schools (35 percent of the total postsecondary institutions participating in the Pell grant program) received $120 million in Pell grants or

about 35 percent of the $342 million received by community college students (Lee, 1985). By 1984 proprietary schools comprised 40 percent of the institutions in the program and their students received $532 million in awards. That was $11 million more that community college students. The success of the proprietary schools in capturing campus-based aid from College Work Study, NDSL, and SEOG is nearly as dramatic as their Pell grant gains. While the four-year public and private colleges make the predominate share of the awards, 42.4 and 40.6 percent in 1982, respectively, the proprietary schools' share of program funds grew from 1.1 percent in 1974 to 5.2 percent in 1982. This growth came at the expense of the public two and four-year colleges and the two-year independent college sectors. The four-year public college sector's share declined 6.6 percent; the two-year public college group from 11.9 to 10.3; the two-year independent from 2.1 to 1.5. The four-year independent colleges share increased from 35.9 to 40.6. From 1975 to 1984, these three programs grew only 33 percent or 42 percent less than necessary to keep up with inflation. The number of recipients of awards from these three programs declined during the period while the size of awards increased. In 1983, 482,000 fewer students received awards for greater amounts than in 1980. This would suggest that institutions may be "helping their neediest students at the expense of less needy students (Lee, 1985, p. 10).

**Conclusions**

In effect the 1978, 1982 and 1986 amendments to the Higher Education Act and concomitant rises in the costs of higher education have had the following impacts on student's choices of higher education sectors and institutions.

1. Reduced the options of low income and middle income students to choose among schools. Federal financial aid grants will pay only a nominal amount of the cost of attending most four-year colleges, proprietary schools, and large numbers of community colleges.

2. Increased student's dependence on borrowing large sums to finance their higher education. As a result of the decline in the value of grants relative to cost of living and tuition increases, low-income and middle-income students are having to depend increasingly on loans. In many cases the amount of government supported loans coupled with grants is insufficient to cover the price of education, particularly in the private sector.

3. Therefore students and their families often have to turn to other sources for support--including unsubsidized and non-guaranteed loans and institutional support. Success in obtaining such support is very much a function of socio-economic group, family or student experience with borrowing, the courses of studies that will be pursued, and ability as measured by standardized tests. These factors coupled with the limits on federal and state financial aid thus effectively foreclose the options

of large numbers of low and low-middle income students. A large majority of which are members of minorities who have suffered extensively from discrimination and still carry much of the burden of past discrimination in terms of cultural adaptation, where they live, incomes they or their parents earn, and the schools they attend because of where they live.

Therefore, it is not surprising the participation of blacks and Hispanics in higher education has declined and that a large proportion of those who pursue a higher education choose community colleges and proprietary schools. The first sector offers relatively low cost education because of state support and their non-residency character. Students can live at home and attend college part or full-time while holding a part or full-time job; factors which tend to reduce chances of success and existential benefits for a population already at risk. The second sector, while relatively expensive in comparison to publicly supported community colleges, provides the opportunity to pursue an education while working and residing either at home or where one has already established residency. The sector has proved the value of flexible programming, strong advertising and recruiting campaigns, and nurturing (at least during the recruitment and application process) by its gains in attracting students and federal financial.

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National Institute of Independent Colleges and Universities. (1980). Federal student assistance and categorical programs. Washington, D.C.: Author.

_____. (1982). Postsecondary schools with occupational programs survey. Ibid. Table 25.4

Office of Educational Research and Improvement, Department of Education. (1987). The condition of education: A statistical report. Washington, D.C.: U. S. Government Printing Office.

Table 1 Participation of 18 to 24 Year-olds in Higher Education; Percent of Population

| Membership | 1970 | 1972 | 1976 | 1978 | 1980 | 1985 | 1986 |
|---|---|---|---|---|---|---|---|
| Whites | 27 | 26 | 27 | | 26 | | |
| Black | 16 | 18 | 23 | | 19 | 20 | |
| Hispanics | | 13 | 20 | | 16 | 17 | |

Source: Office of Educational Research and Improvement, Department of Education. (1987). The Condition of Education: A Statistical Report. Washington, D. C.: U. S. Government Printing Office. Table 2:15, p. 126.

Table 2 Enrollments in Thousands and (Market Share) by Sector for Selected Years

| Sectors/Years | 1970 | 1974 | 1976 | 1978 |
|---|---|---|---|---|
| Public 4-year* | 4,326 (46) | 4,704 (42) | 4,901 (41) | 4,912 (44) |
| Private 4-year* | 2,032 (22) | 2,117 (19) | 2,206 (19) | 2,299 (20) |
| Public CC* | 2,102 (23) | 3,285 (30) | 3,752 (32) | 3,874 (35) |
| Private CC* | 121 (1) | 119 (2) | 108 (1) | 109 (1) |
| Proprietary Schools** | 789 (8) | 827 (7) | 927 (7) | |
| Total Postsecondary Education | 9,370 | 11,052 | 11,894 | 11,194 |

| Sectors/Years | 1980 | 1982 | 1986 |
|---|---|---|---|
| Public 4-year* | 5,128 (43) | 5,176 (37) | 5,308 (42) |
| Private 4-year* | 2,414 (20) | 2,438 (18) | 2,517 (20) |
| Public CC* | 4,329 (36) | 4,520 (32) | 4,418 (35) |
| Private CC* | 114 (1) | 115 (1) | 257 (3) |
| Proprietary Schools** | | 1,744 (12) | |
| Total Postsecondary Education | 11,985 | 13,993 | 12,500 |

Explanations:

In the table the number is in thousands. Figures in parenthesis are the percent of total enrollments.

Enrollments are in headcounts; in general headcount enrollments are reasonably equivalent to full-time equivalent enrollments in the four-year college sectors and in the private two-year college sectors. This is not true for the public community college and proprietary schools which have large part-time student enrollments.

Sources:

* Enrollments through 1982 are from Table 2.12 of the National Center for Education Statistics. (1987). The Condition of Education, 1987, A Statistical Report. (1988). For other years from the National Center for Education Statistics (1988); 1986 data was taken from Table 118 of the Digest of Education Statistics, 1988. Washington, D.C.: Government Printing Office.

** Proprietary school enrollment estimates are from several sources: 1978 data was drawn from Table 2 of the National Center for Education Statistics (1978). Enrollments and Programs in Noncollegiate Postsecondary Schools, 1978. Enrollments for prior and subsequent years are estimated from data in the same report and from Moore (1987). Table 2:12 cited above provides the following credit hour enrollments for the proprietary sector: 1976--129,000; 1978--130,000; 1980--142,000; 1982--155,000; 1986--196,000 estimated. Since many proprietary school program enrollments are accounted for in contact rather than credit hours, Table 2:12 understates the size of the proprietary sectors significantly.

_____. (1982). Postsecondary Schools With Occupational Programs Survey. Ibid. Table 25.4.

TABLE 3

AID AWARDED TO POSTSECONDARY STUDENTS IN CONSTANT DOLLARS:
1980-81 THROUGH 1984-85
(IN MILLIONS)

| | 1980-81 | 1981-82 | Estimated 1982-83 | Estimated 1983-84 | Estimated 1984-85 | Percent Change 1980-81 to 1984-85 |
|---|---|---|---|---|---|---|
| **Federally Supported Programs** | | | | | | |
| **Generally Available Aid** | | | | | | |
| Pell Grants | 2,660 | 2,358 | 2,379 | 2,643 | 2,509 | - 5.7 |
| SEOG | 408 | 371 | 337 | 335 | 338 | - 17.2 |
| SSIG | 85 | 79 | 72 | 57 | 69 | - 18.8 |
| CWS | 734 | 640 | 619 | 664 | 601 | - 18.1 |
| NDSL | 774 | 595 | 585 | 565 | 529 | - 31.7 |
| GSL and PLUS | 6,914 | 7,494 | 6,497 | 7,401 | 7,660 | 10.8 |
| Subtotal | 11,576 | 11,536 | 10,489 | 11,665 | 11,707 | 1.1 |
| **Specially Directed Aid** | | | | | | |
| Social security | 2,099 | 2,047 | 721 | 209 | 32 | - 98.5 |
| Veterans | 1,911 | 1,385 | 1,333 | 1,003 | 757 | - 60.4 |
| Other grants | 132 | 105 | 81 | 57 | 54 | - 59.1 |
| Other loans | 68 | 90 | 155 | 188 | 253 | 272.1 |
| Subtotal | 4,209 | 3,626 | 2,289 | 1,456 | 1,095 | - 74.0 |
| **Total Federal Aid** | 15,785 | 15,162 | 12,778 | 13,122 | 12,802 | - 18.9 |
| **State Grant Programs** | 893 | 944 | 989 | 1,069 | 1,137 | 27.3 |
| **Institutionally Awarded Aid** | 2,383 | 2,382 | 2,384 | 2,384 | 2,384 | 0.0 |
| **Total Federal, State, and Institutional Aid** | 19,062 | 18,489 | 16,151 | 16,575 | 16,323 | - 14.4 |

Source: College Board, 1985, p. 6.

TABLE 4 Aid Awarded to Postsecondary Students for Selected Years (Sheet 1 of 3)
(Current Dollars in Millions)

| PROGRAMS | ACADEMIC YEARS | | | |
|---|---|---|---|---|
| | 1963-64 | 1970-71 | 1975-76 | 1977-78 |
| **FEDERALLY SUPPORTED PROGRAMS** | | | | |
| Generally available aid: | | | | |
| Pell Grants | -- | -- | 936 | 1,588 |
| Supplemental Educational Opportunity Grant | -- | 134 | 201 | 243 |
| State Student Incentive Grants | -- | -- | 20 | 60 |
| College Work Study | -- | 227 | 295 | 469 |
| Perkins Loans (NDSL) | 114 | 240 | 460 | 615 |
| Income Contingent Loan | -- | -- | -- | -- |
| GSL & PLUS/SLS | | 1,015 | 1,267 | 1,737 |
| Stafford Student Loans (CSL) | -- | (na) | (na) | (na) |
| Supplemental Loans for Students | -- | (na) | (na) | (na) |
| Parent Loans for Undergraduate Students | -- | (na) | (na) | (na) |
| **Subtotal** | **114** | **1,616** | **3,179** | **4,712** |
| Specially directed aid: | | | | |
| Social Security | -- | 499 | 1,093 | 1,370 |
| Veterans | 67 | 1,121 | 4,180 | 2,598 |
| Military | (na) | (na) | (na) | (na) |
| Other Grants | 9 | 16 | 64 | 83 |
| Other Loans | -- | 42 | 45 | 42 |
| **Subtotal** | **76** | **1,678** | **5,382** | **4,093** |
| **TOTAL FEDERAL AID** | 190 | 3,295 | 8,561 | 8,805 |
| **STATE GRANT PROGRAMS** | 56 | 236 | 490 | 677 |
| **INSTITUTIONALLY AWARDED AID** | 300 | 965 | 1,435 | 1,596 |
| **TOTAL (FEDERAL + STATE + INSTITUTION)** | **546** | **4,496** | **10,486** | **11,078** |

TABLE 4 Aid Awarded to Postsecondary Students for Selected Years (Sheet 2 of 3)
(Current Dollars in Millions)

| PROGRAMS | ACADEMIC YEARS | | | |
|---|---|---|---|---|
| | 1980-81 | 1981-82 | 1982-83 | 1983-84 |
| **FEDERALLY SUPPORTED PROGRAMS** | | | | |
| Generally available aid: | | | | |
| Pell Grants | 2,387 | 2,299 | 2,418 | 2,792 |
| Supplemental Educational Opportunity Grant | 368 | 362 | 343 | 361 |
| State Student Incentive Grants | 77 | 77 | 74 | 60 |
| College Work Study | 660 | 624 | 615 | 683 |
| Perkins Loans (NDSL) | 694 | 580 | 597 | 682 |
| Income Contingent Loan | -- | -- | -- | -- |
| GSL & PLUS/SLS | 6,203 | 7,223 | 6,697 | 7,576 |
| Stafford Student Loans (GSL) | (6,200) | (7,150) | (6,497) | (7,260) |
| Supplemental Loans for Students | 0 | (16) | (78) | (145) |
| Parent Loans for Undergraduate Students | (3) | (57) | (122) | (171) |
| **Subtotal** | **10,389** | **11,165** | **10,744** | **12,154** |
| Specially directed aid: | | | | |
| Social Security | 1,883 | 1,996 | 733 | 220 |
| Veterans | 1,714 | 1,351 | 1,356 | 1,148 |
| Military | 203 | 235 | 269 | 301 |
| Other Grants | 125 | 109 | 89 | 65 |
| Other Loans | 62 | 109 | 216 | 263 |
| **Subtotal** | **3,987** | **3,800** | **2,663** | **1,997** |
| **TOTAL FEDERAL AID** | 14,376 | 14,965 | 13,407 | 14,151 |
| **STATE GRANT PROGRAMS** | 801 | 921 | 1,006 | 1,106 |
| **INSTITUTIONALLY AWARDED AID** | 2,060 | 2,247 | 2,507 | 2,881 |
| **TOTAL (FEDERAL + STATE + INSTITUTION)** | **17,237** | **18,133** | **16,920** | **18,138** |

TABLE 4 Aid Awarded to Postsecondary Students for Selected Years (Sheet 3 of 3)
(Current Dollars in Millions)

| PROGRAMS | ACADEMIC YEARS | | | |
|---|---|---|---|---|
| | 1984-85 | 1985-86 | 1986-87 | 1987-88 |
| **FEDERALLY SUPPORTED PROGRAMS** | | | | |
| Generally available aid: | | | | |
| Pell Grants | 3,033 | 3,567 | 3,443 | 3,739 |
| Supplemental Educational Opportunity Grant | 374 | 410 | 400 | 396 |
| State Student Incentive Grants | 76 | 76 | 73 | 76 |
| College Work Study | 645 | 656 | 641 | 665 |
| Perkins Loans (NDSL) | 677 | 703 | 764 | 853 |
| Income Contingent Loan | -- | -- | -- | 5 |
| GSL & PLUS/SLS | 8,608 | 8,839 | 9,099 | 11,269 |
| Stafford Student Loans (GSL) | (8,143) | (8,328) | (8,330) | (8,976) |
| Supplemental Loans for Students | (221) | (265) | (462) | (1,776) |
| Parent Loans for Undergraduate Students | (244) | (246) | (307) | (517) |
| **Subtotal** | **13,413** | **14,251** | **14,420** | **17,003** |
| Specially directed aid: | | | | |
| Social Security | 35 | 0 | 0 | 0 |
| Veterans | 1,002 | 849 | 780 | 773 |
| Military | 333 | 346 | 364 | 359 |
| Other Grants | 64 | 68 | 64 | 72 |
| Other Loans | 327 | 372 | 315 | 234 |
| **Subtotal** | **1,761** | **1,635** | **1,523** | **1,438** |
| **TOTAL FEDERAL AID** | 15,174 | 15,887 | 15,943 | 18,442 |
| **STATE GRANT PROGRAMS** | 1,222 | 1,311 | 1,432 | 1,540 |
| **INSTITUTIONALLY AWARDED AID** | 3,221 | 3,674 | 4,056 | 4,565 |
| **TOTAL (FEDERAL + STATE + INSTITUTION)** | **19,617** | **20,872** | **21,431** | **24,547** |

Source: The College Board (1987)
The College Board (1983)

Note: (1) Because of rounding, details may not add to totals.
(2) Academic years 1986-87 and 1987-88 are estimated figures.
(3) Not available (na).
(4) Numbers in parens are a subset of the set above.

**Table 5** Appropriations for Federal Aid Programs For Selected Years
(Current Dollars in Millions)

| Program | 1964 | 1971 | 1978 | 1979 |
|---|---|---|---|---|
| Pell Grants | -- | -- | 2,160 | 2,431 |
| Supplemental Educational Opportunity Grants | -- | 168 | 270 | 340 |
| State Student Incentive Grants | -- | -- | 64 | 77 |
| College Work Study | -- | 158 | 435 | 550 |
| Perkins Loans (NDSL) | 122 | 243 | 326 | 329 |
| Income Contingent Loan | -- | -- | -- | -- |
| Stafford Student Loans (GSL & PLUS/SLS) | -- | 161 | 480 | 958 |
| Totals | 122 | 730 | 3,735 | 4,685 |

| | 1980 | 1981 | 1982 | 1983 |
|---|---|---|---|---|
| Pell Grants | 1,718 | 2,604 | 2,419 | 2,419 |
| Supplemental Educational Opportunity Grants | 370 | 370 | 355 | 355 |
| State Student Incentive Grants | 77 | 77 | 74 | 60 |
| College Work Study | 550 | 550 | 528 | 590 |
| Perkins Loans (NDSL) | 301 | 201 | 193 | 193 |
| Income Contingent Loan | -- | -- | -- | -- |
| Stafford Student Loans (GSL & PLUS/SLS) | 1,609 | 2,536 | 3,074 | 3,100 |
| Totals | 4,625 | 6,338 | 6,643 | 6,717 |

| | 1984 | 1985 | 1986 | 1987 | 1988 |
|---|---|---|---|---|---|
| Pell Grants | 2,800 | 3,862 | 3,580 | 4,187 | 4,260 |
| Supplemental Educational Opportunity Grants | 375 | 413 | 395 | 412 | 408 |
| State Student Incentive Grants | 76 | 76 | 73 | 76 | 73 |
| College Work Study | 555 | 593 | 567 | 592 | 588 |
| Perkins Loans (NDSL) | 181 | 217 | 209 | 210 | 211 |
| Income Contingent Loan | -- | -- | -- | 5 | 4 |
| Stafford Student Loans (GSL & PLUS/SLS) | 2,254 | 3,798 | 3,266 | 2,717 | 2,565 |
| Totals | 6,241 | 8,959 | 8,090 | 8,199 | 8,109 |

* Source: The College Board (1987)
The College Board (1983)

Note: (1) The 1987 Pell Grant appropriation includes a $287 million supplemental appropriation to offset an accumulated shortfall.
(2) Because of rounding, details may not add to the totals.
(3) 1988 estimates taken from the Student Aid News (August 19, 1988).